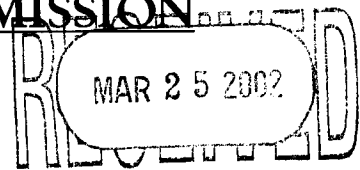


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

Director of Utilities



W-02205A
GADSDEN WATER COMPANY, INC.
P. O. BOX 519
SOMERTON AZ 85350

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
-----------	-----------	-------------

FOR COMMISSION USE

ANN04	01
--------------	-----------

Processed by:

3-25-02 cm

SCANNED

COMPANY INFORMATION

Company Name (Business Name) GADSDEN WATER COMPANY, INC.

Mailing Address P.O. BOX 519
(Street)

SOMERTON ARIZONA 85350
(City) (State) (Zip)

(928) 344-4222 (928) 726-3999 (928) 376-8038

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address P.O. BOX 519
(Street)

SOMERTON ARIZONA 85350
(City) (State) (Zip)

(928) 344-4222 (928) 726-3999 (928) 376-8038

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: JIMMY A. DEERE PRESIDENT
(Name) (Title)

14781 S. AVENUE B YUMA, ARIZONA 85364
(Street) (City) (State) (Zip)

(928) 344-4222 (928) 726-3999 (928) 376-8038

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: JIMMY A. DEERE
(Name)

14781 S. AVENUE B YUMA ARIZONA 85364
(Street) (City) (State) (Zip)

(928) 344-4222 (928) 726-3999 (928) 376-8038

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: STEVE MORGAN

268 S. 1st AVENUE

(Name)
YUMA

ARIZONA

85364

(Street)

(City)

(State)

(Zip)

(928) 782-3678

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: STEVE MORGAN

(Name)

268 S. 1st Avenue

YUMA

ARIZONA

85364

(Street)

(City)

(State)

(Zip)

(928) 782-3678

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☒ YUMA

☐ STATEWIDE

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,221	1,221	0
302	Franchises			
303	Land and Land Rights	3,500	0	3,500
304	Structures and Improvements	971	970	1
307	Wells and Springs	12,754	8,601	4,153
311	Pumping Equipment	2,268	2,012	256
320	Water Treatment Equipment	3,749	2,770	979
330	Distribution Reservoirs and Standpipes	12,514	3,081	9,433
331	Transmission and Distribution Mains	9,373	9,357	16
333	Services			
334	Meters and Meter Installations	4,329	2,349	1,980
335	Hydrants	639	123	516
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	6,253	2,433	3,820
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	575	366	209
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	58,146	33,283	24,863

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,221	5%	0
302	Franchises			
303	Land and Land Rights	3,500	N/A	
304	Structures and Improvements	971	5%	0
307	Wells and Springs	12,754	5%	638
311	Pumping Equipment	2,268	5%	113
320	Water Treatment Equipment	3,749	5%	119
330	Distribution Reservoirs and Standpipes	12,514	5%	626
331	Transmission and Distribution Mains	9,373	5%	0
333	Services			
334	Meters and Meter Installations	4,329	5%	217
335	Hydrants	639	5%	32
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	6,253	5%	313
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	575	5%	29
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	58,146		2,087

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 18,306	\$ 16,735
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 18,306	\$ 16,735
	FIXED ASSETS		
101	Utility Plant in Service	\$ 58,146	\$ 58,146
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(31,196)	(33,283)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 26,950	\$ 24,863
	TOTAL ASSETS	\$ 45,256	\$ 41,598

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	163	211
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	23,269	20,967
	TOTAL CURRENT LIABILITIES	\$ 23,432	\$ 21,178
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 50,000	\$ 50,000
211	Paid in Capital in Excess of Par Value Treasury Stock	(42,373)	(42,373)
215	Retained Earnings	14,197	12,793
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 21,824	\$ 20,420
	TOTAL LIABILITIES AND CAPITAL	\$ 45,256	\$ 41,598

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 37,502	\$ 37,766
460	Unmetered Water Revenue		
474	Other Water Revenues	5,665	4,355
	TOTAL REVENUES	\$ 43,167	\$ 42,121
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	4,052	4,974
618	Chemicals		
620	Repairs and Maintenance	7,670	1,454
621	Office Supplies and Expense	2,017	1,986
630	Outside Services	19,566	18,410
635	Water Testing	755	2,222
641	Rents		
650	Transportation Expenses	3,000	2,094
657	Insurance – General Liability	1,000	1,204
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1,893	2,278
403	Depreciation Expense	2,143	2,087
408	Taxes Other Than Income	2,224	2,538
408.11	Property Taxes	1,210	4,277
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 45,530	\$ 43,524
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$	\$
	NET INCOME/(LOSS)	\$ (2,363)	\$ (1,403)

COMPANY NAME GADSDEN WATER COMPANY, INC.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amount Issued	\$ 0	\$ 0	\$ 0	\$ 0
Amount Outstanding	\$ 0	\$ 0	\$ 0	\$ 0
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A	N/A	N/A	N/A
Current Year Interest	\$ 0	\$ 0	\$ 0	\$ 0
Current Year Principle	\$ 0	\$ 0	\$ 0	\$ 0

Meter Deposit Balance at Test Year End \$ 0

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME GADSDEN WATER COMPANY, INC.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
14-037	10	300	8	2x2

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1	1	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	1	2,000	1

STATISTICAL INFORMATION

Total number of customers	200	
Total number of gallons sold	20,089,792	gallons

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>< 1,400 ></u>
Estimated or Actual Federal Tax Liability	<u>0</u>
State Taxable Income Reported	<u>< 1,400 ></u>
Estimated or Actual State Tax Liability	<u>0</u>


Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

	<u>3/20/02</u>
SIGNATURE	DATE

<u>Jimmy A. Deere</u>	<u>President</u>
PRINTED NAME	TITLE

COMPANY NAME GADSDEN WATER COMPANY, INC. YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 4,276.97

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

RECEIVED
MAR 25 2002

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) YUMA	Director of Utilities
NAME (OWNER OR OFFICIAL) TITLE JIMMY A. DEERE, PRESIDENT	
COMPANY NAME GADSDEN WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2001
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 42,121

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,475

IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Linda G. Deere, Sec.
SIGNATURE OF OWNER OR OFFICIAL
928-344-4222
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

21ST

DAY OF

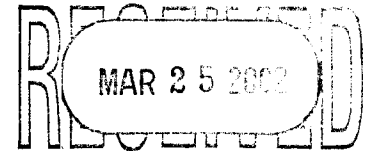
COUNTY NAME YUMA
MONTH MARCH 2002

OFFICIAL SEAL
ROSA NEGRETE
Notary Public - State of Arizona
MY COMMISSION EXPIRES **DEC 3, 2003**
My Comm. Expires Dec 3, 2003

Rosa Negrete
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) YUMA	
NAME (OWNER OR OFFICIAL) JIMMY A. DEERE	TITLE PRESIDENT
COMPANY NAME GADSDEN WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 35,766
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Linda G. Deere, Sec.
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

21ST

DAY OF

NOTARY PUBLIC NAME ROSA NEGRETE	
COUNTY NAME YUMA	
MONTH MARCH	20 02



OFFICIAL SEAL
ROSA NEGRETE
Notary Public - State of Arizona
YUMA COUNTY
MY COMMISSION EXPIRES
Dec 3, 2003

X Rosa Negrete
SIGNATURE OF NOTARY PUBLIC

DEC. 3, 2003

AT TELLER 116344
FEB 24 2002
1221-0527-8
0762500216

NO Df 02
122100024
BANK ONE ARIZONA, N.A.
PHOENIX, ARIZONA

NOV - 2 01

122100024
122100024
122100024

1123 161840

122100024
122100024
122100024

GADSDEN WATER COMPANY

P.O. BOX 519
SONEHTON, AZ 85350

1731

91522
1221

10/29 x 2001

PAY TO THE
ORDER OF

KAREN TRITZ YUMA CO. TREASURER \$ 1435.87
ONE THOUSAND FOUR HUNDRED THIRTY-FIVE + 87/100 DOLLARS

NORWEST BANK ARIZONA, N.A.

YUMA SOUTH OFFICE
2200 S. AIR AVE.
YUMA, AZ 85304

44003 10242019 00012311 01221052781 6109601317

0000143587

Mike Wright

NO 01 27
122100024
BANK ONE, NA
PHOENIX, ARIZONA

12210527-8
12210527-8
12210527-8

GADSDEN WATER COMPANY

P.O. BOX 519
SOMERTON AZ 85350

1740

91 521
1221

11/19/11

PAY TO THE
ORDER OF

Karen Fritz - Yuma County Treasurer
Two thousand eight hundred forty one & 10/100

\$ 2841.10

SEAS 6

NORWEST BANK ARIZONA

2300 S. STATE
TUCSON, AZ 85704

PAY #

910-23-233, 2000 ppty tax

DEERE

12210527-8

12210527-8

12210527-8

12210527-8